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County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

November 5, 2009

To: Supervisor Don Knabe, Chair
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

SEPTEMBER 22, 2009 BOARD MOTION – ITEM 50-A GROUP HOME/FOSTER FAMILY AGENCY DISALLOWED COSTS AND PROGRAM FUNDING OPTIONS

On September 22, 2009, on motion of Supervisor Ridley-Thomas, your Board instructed the Chief Executive Office (CEO) to: 1) Review the issues of disallowed costs associated with audits of group homes/foster family agencies (GH/FFA), including a review of policy guidelines and a corrective action plan to correct all irregularities; and create a workgroup to include the departments of the Auditor-Controller (Auditor), County Counsel, and Children and Family Services (DCFS) to provide an updated list of those agencies that are out of compliance, and determine if it is feasible to collect from such agencies; and 2) Work with DCFS and the Association of Community Human Service Agencies (ACHSA) to meet and discuss the feasibility of developing new and innovative programs with GH/FFAs using existing funding to help mitigate the impact of the ten percent State reductions in their funding rates and report back in 30 days.

Disallowed Costs

Meetings of a workgroup, consisting of the representatives of the CEO, Auditor, County Counsel, DCFS and the Treasurer-Tax Collector (TTC) have been convened on several occasions for the purpose of carrying out your Board's directives. The efforts to date have included a detailed review of the GH/FFA fiscal audit report settlement process; analysis of the procedures used in collection of questioned costs; examination of the process used to write-off bad debts related to disallowed costs; and review of the roles and responsibilities of the TTC and DCFS in the collection process. Additionally, County Counsel has examined possible alternatives available to the County to recover

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disallowed costs, such as the ability to withhold current payments to recoup disallowances, including the possibility of holding Directors and Officers of GH/FFAs personally liable. The workgroup is also exploring the viability of not contracting in the future with GH/FFA Directors and Officers that have gone out of business (thus thwarting efforts at recoupment), only to subsequently re-establish business under another name.

Analysis to date revealed the need for the following:

1. Revision of the audit report settlement process to shorten timelines and improve effectiveness. This is contingent on the outcome of County Counsel's analysis as to applicability of SB 84 to the fiscal audits;
2. DCFS need for a technical in-house audit manager and support staff to provide an appropriate structure to better comply with the contract fiscal audit process, achieve timely corrective action plans, and audit settlements (using existing resources);
3. Once disallowed costs are identified and the audit report is issued, DCFS will make demand for full payment. If the GH/FFA does not make the full payment, the account should immediately be referred to TTC. TTC should then negotiate a repayment plan with the GH/FFA; and
4. The Auditor's increased involvement in the report settlement process, including working with DCFS up to the point where DCFS is ready to prepare its corrective action plan.

Please note that a briefing on these issues was provided to the County's Audit Committee at a special meeting on October 7, 2009. While progress has been made in terms of determining the problems with the current system, we are still working on developing suitable resolutions, and request a 30-day extension on this process.

Feasibility of Developing New and Innovative Programs with GH/FFAs Using Available Title IV-E Child Welfare Reinvestment Funds

Your Board directed DCFS, in conjunction with the CEO, to work with ACHSA on the development of new and innovative services and to assess the feasibility of using available funding to augment current GH/FFA contracts to pay for these services. The intent of this effort is to assist the GH/FFAs in dealing with the impact of the ten percent rate reduction imposed by the State effective October 1, 2009, by providing other services required by DCFS.

Each Supervisor
November 5, 2009
Page 3

To date, DCFS, Probation, ACHSA, and several GH/FFA representatives have participated in four meetings and a conference call for the purpose of identifying what new services could be provided. To date, the parties have not been able to reach consensus. The list of potential services identified by DCFS and Probation includes:

- Aftercare Services;
- Employment Services
- Family Finding/Engagement and Mentoring;
- Participation in Team Decision Making Meetings;
- Facilitated/Supervised Visitation (between parents and children);
- Resource Family Recruitment; and
- Pro-Social Skills for Youth.

All parties continue to work to find services upon which they can agree. In a recent move, ACHSA proposed that DCFS submit a written proposal for their consideration; DCFS is working on the response to this request. In an effort to resolve the impasse, the CEO will participate in all future negotiations. The next meeting with ACHSA is scheduled for today. We request that we be allowed an additional 30 days in order to try to reach consensus. At the end of the extended period, our Office will report back with a recommendation on an agreed upon list of additional services, or an update on the situation and whether or not we feel that a consensus is possible.

We will update your Board and provide a timeline once an agreement has been reached with ACHSA. Please let me know if you have any questions or your staff may contact Brian Mahan at (213) 974-1318.

WTF:JW
BM:cvb

c: Executive Officer, Board of Supervisors
Auditor-Controller
County Counsel
Department of Children and Family Services
Treasurer and Tax Collector



County of Los Angeles CHIEF EXECUTIVE OFFICE

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Fifth District

April 29, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

FINAL REPORT ON SEPTEMBER 22, 2009 BOARD MOTION – GROUP HOME/FOSTER FAMILY AGENCY DISALLOWED COSTS AND PROGRAM FUNDING OPTIONS

On September 22, 2009, on motion of Supervisor Ridley-Thomas, your Board instructed the Chief Executive Officer (CEO) to: 1) Review the issues of disallowed costs associated with audits of group homes/foster family agencies (GH/FFA), including a review of policy guidelines and a corrective action plan to correct all irregularities; and create a workgroup to include the departments of the Auditor-Controller (Auditor), County Counsel, and the Department of Children and Family Services (DCFS) to provide an updated list of those agencies that are out of compliance, and determine if it is feasible to collect from such agencies; and 2) Work with DCFS and the Association of Community Human Service Agencies (ACHSA) to meet and discuss the feasibility of developing new and innovative programs with GH/FFAs using existing funding to compensate for the ten percent State reductions in their funding rates and report back in 30 days.

On November 5, 2009, we reported on the status of our review of the issues of disallowed costs and the feasibility of developing new and innovative programs with GH/FFAs using available Title IV-E Child Welfare Reinvestment funds. This is our final report on this matter.

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Disallowed Costs

The workgroup, consisting of the representatives of the CEO, Auditor, County Counsel, DCFS and the Treasurer-Tax Collector (TTC) met to carry out your Board's directives. These efforts included a detailed review of the GH/FFA fiscal audit report settlement process and guidelines; analysis of the procedures used in collection of questioned costs; review of the roles and responsibilities of the TTC and DCFS in the collection process; and an analysis of the impact of Senate Bill 84 (SB 84) Overpayment Recovery for Foster Care Providers.

As a result of our review, we are proposing changes to the audit process which will reduce the timelines to issuing the Auditor's final report and correct deficiencies in the existing process. They include:

1. A revision of the fiscal audit report process (Attachment I) and flowchart (Attachment II) to shorten timelines and improve effectiveness;
2. Ensuring DCFS sustains a technical in-house audit manager and support staff to provide an appropriate structure to better comply with the contract fiscal audit process, achieve timely corrective action plans, and audit settlements;
3. Improved coordination with TTC to establish repayment plans with the GH/FFA once disallowed costs are identified, the audit report is issued, and the GH/FFA does not honor DCFS' demand for payment in full;
4. Extends Auditor's involvement through the report settlement process, including working with DCFS up to the point where DCFS is ready to prepare its corrective action plan;
5. Working with the Auditor and County Counsel to amend the existing GH/FFA contracts to more clearly address issues such as: how reasonable Executive Compensation will be determined; the effect Contractor donations/contributions on questioned costs, etc.; and
6. Working with the State for clarification on Regulation 11-425.1.122(a) which requires the County to determine whether a new or existing Board of Directors member, Executive Director, licensee and Program Administrator is capable of effective and efficient operation of a GH/FFA. Specifically, whether the County can use information from County audits, either in conjunction with information received from the State Audit and Rates Division or based solely on County audit information, to make the determination required pursuant to Regulation 11-425.1.122(a).

We believe the revised settlement process fully incorporates the workgroup's recommendations and corrective actions necessary to streamline the audit reporting process. We will continue to review the process and implement changes, as necessary, to ensure that the fiscal audits of GH/FFAs are conducted and completed in a timely and efficient manner.

Impact of SB 84 Overpayment Recovery For Foster Care Providers

While the efficiencies listed above will streamline and shorten the timelines to issuing the Auditor's final report and settlement of disallowed costs, these efforts are partially offset by the implementation of SB 84 Emergency Regulations. The California Department of Social Services (CDSS) advised County Counsel that Emergency Regulations for SB 84 would provide for additional application of State regulations and due process activities. This anticipated change will impact and extend the revised fiscal review and collection process from 90 to 180 days.

In summary, once the Final Draft Fiscal Audit Report and the required State Notice of Action (NOA), State Form 1261 has been issued to the audited GH/FFA, the NOA will provide agencies the opportunity to request an informal hearing to be conducted by DCFS, with cooperation of the Auditor, a State hearing or both. The agency must request an informal hearing within 30 days and, if dissatisfied, will have 90 days from the date of the informal decision to request a State Hearing. If the agency fails to request an informal hearing within 30 days, the agency must request a State Hearing within 90 days of the mailing of the NOA.

Please note that until CDSS issues their response to and holds the hearing on final regulations, the full impact of SB 84 Overpayment Regulations on the revised fiscal review and collection process cannot be determined. We will notify your Board should the State's final regulations be substantially different than the emergency regulations described above. Otherwise, we will work with the Auditor, County Counsel and DCFS to incorporate the State's regulations into the County's fiscal audit process.

Current List of GH/FFAs Out-of-Compliance

As of September 22, 2009, there were 18 GH/FFAs reported as out-of-compliance with County fiscal guidelines with a total amount of disallowed costs of \$3.9 million. Since then, DCFS has submitted demand for payment letters to each agency and is working with TTC to obtain settlement agreements to collect the unallowable costs where feasible.

Each Supervisor
April 29, 2010
Page 5

enumerated in the Act. Further, effective December 14, 2009, DCSS was instructed to adjust the current standard rates paid under the RCL system to GHs. The newly imposed rate structure was issued by CDSS and equates to between a 32 percent to 35 percent increase to the current RCL rates at an estimated cost of \$67 million annually (\$26 million in net County cost).

As a result, in conjunction with DCFS, we determined that funding is not available to augment current GH/FFA contracts to pay for new and innovative services.

If you have any questions or need additional information, please contact me or your staff may contact Kathy House, Acting Deputy Chief Executive Officer at (213) 974-4530 or via email at khouse@ceo.lacounty.gov.

WTF:KH:DS
BM:ljp

Attachments

c: Executive Office, Board of Supervisors
Auditor-Controller
Children and Family Services
County Counsel
Treasurer and Tax Collector

ACHSA funding Audits.bm

As of March 31, 2010, there are 25 GH/FFAs reported as out-of-compliance with a total amount of disallowed costs of \$4.9 million (Attachment III), all of which have been turned over to TTC for collection. Only two of the 25 delinquent contractors currently contract with DCFS. The two active contractors have signed repayment agreements and are less than 30 days late on their monthly payment. If any agency holding an active contract with DCFS becomes delinquent by more than 60 days, DCFS in tandem with the TTC will send out a notice that the delinquent agency is in jeopardy of being placed on a Do Not Refer list. Two other agencies that do not have an active contract with DCFS have also signed repayment agreements, but are less than 30 days late on their monthly payment.

Should any of the agencies not enter into a settlement agreement with the County, TTC will pursue collection of the amounts owed as appropriate. Further, SB 84 regulations did not go into effect until July 1, 2009. Discovery of overpayments prior to that date will not be subject to SB 84 regulations. The regulations are not retroactive in application.

Feasibility of Developing New and Innovative Programs with GH/FFAs Using Available Title IV-E Child Welfare Reinvestment Funds

In addition to the issue of disallowed costs, your Board directed DCFS, in conjunction with the CEO, to work with ACHSA on the development of new and innovative services and to assess the feasibility of using available funding to augment current GH/FFA contracts to pay for these services. The intent of this effort is to assist the GH/FFAs in dealing with the impact of the ten percent rate reduction imposed by the State effective October 1, 2009, by providing other services required by DCFS.

As previously reported, DCFS, Probation, ACHSA, and several GH/FFA representatives met several times to identify new and innovative services which could be provided. Although a list of potential services was identified and a consensus reached, on November 4, 2009, the United States District Court (Federal Court) imposed a Temporary Restraining Order (TRO) against the State barring the implementation of the rate reduction for federally eligible youth in GHs. Further, on December 18, 2009, the Federal Court issued another injunction enjoining the State from implementing the GH rate reduction for **both** federally eligible and non-federally eligible youth. Subsequently, the CEO, DCFS and ACHSA reconvened the workgroup to develop alternative proposals.

However, on February 24, 2010, the Federal Court found that the standard rates paid under California's Rate Classification Level (RCL) system violate the Child Welfare Act (Act) because the State does not "cover the cost" of providing items and services

**AUDITOR-CONTROLLER/DEPARTMENT OF CHILDREN AND FAMILY
SERVICES FISCAL REVIEW AND COLLECTION PROCESS FOR FOSTER
FAMILY FOSTER CARE SERVICES AGENCYS**

Purpose of Fiscal Audit Review

The purpose of the fiscal audit review will be to determine whether, pursuant to the Agreement, Foster Family foster care services monies are appropriately accounted for and expended on reasonable and allowable expenditures in providing the necessary care and services for children placed by the County and served by the Agency. The Auditor-Controller (A-C) staff also evaluates the adequacy of the Agency's accounting records, internal controls, and compliance with the Agreement and applicable federal and State regulations governing the disbursement of foster care funds.

Entrance Conference

Prior to the entrance conference, the A-C staff will have reviewed the Agency's Program Statement and Agreement to become familiar with the program and to identify questions or issues to be addressed or clarified during the entrance conference.

The entrance conference permits the Agency and the A-C staff to discuss the scope of the review. The A-C staff will introduce themselves, give a brief summary of the review objectives, discuss the Agency's operating hours, work space, and the Agency's fiscal audit contact person, and perform an inventory of the Agency's records requested in the confirmation letter. The Agency should ensure appropriate fiscal personnel are in attendance to answer any questions and discuss any concerns and problems encountered with the Agency's records.

Preliminary

The preliminary work will start after the entrance conference. This phase is an educational process for the A-C staff. All requested documentation must be made available to the A-C staff, including but not limited to, employee records, children's case files containing clothing and food receipts, and those records identified in Section 19.0, Records and Investigations, of the Agreement.

Preliminary work will consist of becoming familiar with the Agency's accounting system and financial and accounting records, and evaluating its system of internal controls. From this work, the A-C staff will determine how the records will be tested and the extent of detailed testwork that will be performed in each area (i.e., billings, salaries, non-personnel expenditures, etc.).

It is important for the Agency to have its financial and accounting records available or prepare final schedules detailing all financial activities of the Agency for the fiscal audit review period. This will expedite the review and provide the A-C staff with the population of transactions subject to review.

Detailed Field Work

The detailed fieldwork is an extension of the preliminary work and involves a more in-depth review of accounting and financial records, documents and transactions. The A-C staff will be requesting information from the Agency in the various areas under review. The duration of detailed fieldwork varies and may take from a few weeks to several months to complete, depending on the Agency's availability, condition of, and availability of the account records, and other variables.

Preliminary findings will be verbally discussed with the Agency during this stage of the review.

Pre-Exit Meeting

Upon completion of the fieldwork, a pre-exit meeting will be held with the Agency. During the pre-exit meeting, the A-C staff will provide the Agency with a Summary of Preliminary Findings and will discuss the preliminary findings and recommendations from the fiscal audit. The Agency will have the opportunity to comment, and ensure that all relevant documentation has been obtained. Absent extenuating circumstances, a due date of no less than ten (10) business days, from the date of the Agency's pre-exit meeting, will be set by the A-C staff for the Agency to present additional documentation in response to the preliminary findings. Documentation provided after the due date may not be reflected in the draft fiscal audit report and/or may delay completion of the fiscal audit process.

Preliminary Draft Fiscal Audit Report

Approximately 30 calendar days after the due date for receipt of additional information from the Agency, the A-C staff will issue to the Agency a preliminary draft fiscal audit report, which contains preliminary draft findings and recommendations. The preliminary draft fiscal audit report will be faxed, mailed or emailed to the Agency's Executive Director. A copy of the preliminary draft fiscal audit report will also be provided to DCFS.

After receipt of the preliminary draft fiscal audit report, the Agency may request an exit conference with the A-C and DCFS staff to discuss the preliminary draft fiscal audit report. If the Agency desires an exit conference, the Agency must submit its request in writing to the A-C either by letter, or via electronic mail, within 15 calendar days following receipt of the preliminary draft fiscal audit report. If the Agency does

not request an exit meeting in writing within the allowable time period, the Agency will be deemed to have waived the right to an exit conference.

Exit Conference

The exit conference will be held in person, or if mutually agreed upon, by telephone or teleconference, and participants will include the A-C, DCFS and the Agency's staff/management and non-legal representatives who are knowledgeable of the events in relation to the preliminary draft fiscal audit report being discussed.

The purpose of the exit conference is to discuss the content of the preliminary draft fiscal audit report and any proposed wording or factual changes which may be sought by the Agency.

In addition, at the exit conference, the Agency may provide additional documentation related to the findings and recommendations included in the preliminary draft fiscal audit report. After the exit conference, the A-C and DCFS staff will review the documentation and determine its effect, if any, on the findings and recommendations. The A-C and DCFS staff will revise the preliminary draft fiscal audit report, as the A-C and DCFS determine it is appropriate. The preliminary draft fiscal audit report updated for any revisions deemed appropriate by the A-C and DCFS will herein be referred to as the final draft fiscal audit report.

- **NOTE:** In general, the A-C and DCFS will not review any additional documentation, which the Agency provides, related to the findings and recommendations in the preliminary draft fiscal audit report, at any time subsequent to the exit conference. However, in the event extenuating circumstances exist, the A-C and DCFS may at their sole discretion, consider additional documentation submitted subsequent to the exit conference. The Agency should therefore be sure to provide all information, which it deems relevant at the exit conference to ensure that it is taken into consideration.

The A-C and DCFS staff will notify the Agency via phone, fax or email of any revisions to the preliminary draft fiscal audit report.

A-C Issues Final Draft Fiscal Audit Report

The Final Draft Fiscal Audit Report shall be sent to the Agency with the required state Notice of Action (NOA), State Form 1261. The NOA provides for an informal hearing to be conducted by DCFS, with cooperation of the A-C's office, a State Fair Hearing or both.

The informal hearing must be requested by the Agency within 30 days of the mailing or hand delivery of the NOA. The State hearing must be requested within 90 days of the mailing or hand delivery of the NOA. If an Agency requests both forms of the

hearing, the Agency will be required to timely request the informal hearing first. During the informal hearing process, the 90-day period for State hearing will be suspended. After DCFS concludes the informal hearing and a decision is issued by letter, the Agency will have 90 days from mailing of the informal hearing decision to request a State hearing on expenditures not in conformity with State regulation.

Agency Response to Final Draft Fiscal Audit Report

The Agency will have 30 days to review the final draft fiscal audit report and submit a response. At this time, the Agency should also respond to administrative due process required by State Regulations MPP 45-304 through 45-306.

Within thirty (30) calendar days of the date the final draft fiscal audit report is sent to the Agency, the Agency shall submit a response to the findings and recommendations, via first-class mail, to the DCFS Fiscal Monitoring Section. The response should address each of the findings affecting the Agency's operations, including, but not limited to compliance/internal control issues and identified questioned expenditures, and indicate corrective actions planned or already taken.

As to the corrective actions planned, the Agency shall identify the dates that corrective action will be implemented and completed. The response *should* also include the Agency's position on due process.

Three anticipated responses by the Agency, which could occur within 30 day period:

1. The Agency could respond by agreeing to enter into a voluntary repayment agreement for the amounts noted by the audit and will waive the due process rights provided by the NOA. The Agency will submit or has submitted a Fiscal Corrective Action Plan (FCAP). The matter will be referred to TTC to develop the voluntary repayment agreement. The voluntary repayment agreement shall contain the language provided for by State Regulations 45-305, including the Agency's recognition that by signing the voluntary repayment agreement the Agency will waive rights to appeal the overpayment determination.
2. If the Agency fails to submit any response within 30 days, the Agency will have waived its right to the informal hearing process. DCFS shall wait an additional 60-day period to determine if the Agency will seek further due process through State hearing, prior to taking any additional action to collect on the audit findings. However, DCFS may, within the 60-day period, continue to request that the agency provide the FCAP.
3. The Agency issues a response, including a FCAP, but questions the A-C findings and requests due process provided by State Regulations 45-304 through 45-306. The Agency can request an informal hearing within 30 days of the mailed or hand delivered NOA, a State Fair Hearing within 90 days of the

mailed or hand delivered NOA, or both. If both are requested, the delay could total 180 days or more, before completion of due process offered by State regulations.

DCFS Actions in Response to Final Draft Fiscal Audit Report

If an Agency responds to the audit findings by agreeing to enter a voluntary repayment agreement, waving due process, and providing the written response for FCAP, DCFS shall immediately refer the Agency to TTC to prepare and enter into the voluntary repayment agreement with the Agency. DCFS will evaluate the adequacy of the Agency's written response to the final draft audit report and incorporate the Agency's written response into the DCFS' FCAP process. DCFS will provide the Agency and the A-C Audit Division, within 15 calendar days, the final FCAP setting forth the required DCFS corrective action plan. Should the Agency not comply with the Corrective Action Plan after entering into the voluntary repayment agreement, DCFS may, in its sole discretion, exercise any and all remedies, including but not limited to placement of Agency on Do Not Refer or Do Not Use status.

If the Agency fails to provide a response to the final draft fiscal audit report and NOA within 90 calendar days from the date of mailing or delivery to the Agency, the report shall be finalized and issued to the Board of Supervisors (Board). DCFS will make demands for payment in full and forward the matter to TTC for further collections processes. DCFS, in its sole discretion, may also exercise any and all remedies, including but not limited to placement of Agency on Do Not Refer or Do Not Use status.

If an Agency responds and requests State regulatory due process, upon completion of State regulatory due process in favor of the County or partially in favor of the County's audit findings, DCFS shall issue a demand letter for the amount noted by the State decision and forward the matter to TTC for collection. Further, DCFS may, in its sole discretion, exercise any and all remedies, including but not limited to placement of Agency on Do Not Refer or Do Not Use status. However, if the Agency obtains a successful finding which absolves the Agency of the entire amount, as set forth in the A-C final draft audit report, the County shall cease collection.

Final Report to the Board

The A-C and DCFS will make every effort to issue the final report, with the Agency's response attached, to the Board at the completion of time allowed to file requests for due process. The Agency will be provided with a copy of the final report at the same time as it is issued to the Board. The final report along with the Agency's response and DCFS' FCAP will be posted on the A-C website and will be deemed a public record pursuant to the Public Records Act (Cal. Govt. Code Section 6250, et seq.).

It is the policy of the A-C to post final reports on the website within 24 hours of issuance.

Collection of Questioned Costs

With the issuance of the final audit report after successful conclusion of due process pursuant to State Regulations, either in full or in part, DCFS will send a demand letter to the Agency requesting payment in full for all unsettled disallowed costs identified in the final audit report.

If the Agency pays in full, the audit is settled. Should the Agency fail to submit the full amount of the final questioned costs, DCFS will refer the Agency to TTC.

Agency Requests Repayment Plan (TENTATIVE)

If the Agency requests a repayment plan or if the Agency fails to remit the full amount of the disallowed costs, DCFS will refer the Agency to TTC who will establish an account and send routine billings, notices and collection information to the Agency and DCFS. TTC may refer the collection to an outside collection agency as necessary. If the debt is determined to be uncollectable by TTC, they will return the referral to DCFS.

COUNTY OF LOS ANGELES

FISCAL AUDIT STATUS REPORT

March 2010

Delinquent-Out of Compliance GH/FFA

AGENCIES REFERRED TO TTC FOR COLLECTION

Payment agreement in place but delinquent

Date Referred	TTC Account REF #	Agency Name	Supervisory District	Audit Period	Report Issue Date	Total Questioned Costs	Settlement Amount	Date of Payment Agreement	Ending Balance	Payment Amount	Current Balance	Date of Last Payment (TTC)	Operating Contract Status As of 4/1/10
1 12/3/09	10769029	Affirmative Action Development Group Home 240 E. Allington St. Long Beach CA, 90805 Stan Alotey, Executive Director	4th	1999- 2000	8/10/00	\$25,073.00	\$17,428.00	1/15/08	\$4,628.00	\$0.00	\$4,628.00	12/14/09	No Contract
2 12/2/09	12031385	Arrowhead Emancipation 484 Sacramento St. Altadena, CA 91001 Irma Reed, Executive Director	5th	1/1/04 -- 12/31/04	7/25/07	\$172,066.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
3 12/3/09	10748629	Aziza Group Home 2611 Rising Star St. Diamond Bar CA, 91765 Javaid Aslam, Executive Director	4th	1/1/03 -- 12/31/03	2/18/05	\$11,470.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
4 8/28/03	10748629	Charter House Group Home 6100 S. Arbutus St. # 45 Huntington Park CA, 90255 Irene Matlock, Executive Director	2nd	7/1/00 -- 6/30/01	3/5/03	\$33,731.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract

COUNTY OF LOS ANGELES

Payment agreement in place but delinquent

FISCAL AUDIT STATUS REPORT

March 2010

Delinquent-Out of Compliance GH/FFA

AGENCIES REFERRED TO TTC FOR COLLECTION

Date Referred	TTC Account REF #	Agency Name	Supervisory District	Audit Period	Report Issue Date	Total Questioned Costs	Settlement Amount	Date of Payment Agreement	Ending Balance	Payment Amount	Current Balance	Date of Last Payment (TTC)	Operating Contract Status As of 4/1/10
5 3/27/07	11345190	Cleo's Group Home P.O. Box 4487 Carson, CA 90749 Norlon Davis, Executive Director	2nd	7/1/04 -- 6/30/05	9/13/06	\$89,081.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
6 1/14/10	12064924	Community Youth and Sports Foundation Group Home 4828 Crenshaw Blvd. Los Angeles, CA 90043 Glenn Scott, Executive Director	2nd	1/1/04 -- 12/31/04	08/31/06	\$44,438.00	\$29,885.00	10/25/07	\$18,361.00	\$1,006.00	\$17,355.00	2/26/10	Contract
7 10/22/04	10983425	Creative Learning Institute Group Home 1702 North Wilmington Ave. Compton CA, 90222 Gwendolyn Haynes, Executive Director	2nd	1999- 2000	2/1/01	\$36,466.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
8 8/28/03	10748630	D&F Services	N/A	1999- 2000	3/2/00	\$577,309.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract

COUNTY OF LOS ANGELES

Payment agreement in place but delinquent

FISCAL AUDIT STATUS REPORT

March 2010

Delinquent-Out of Compliance GH/FFA

AGENCIES REFERRED TO TTC FOR COLLECTION

Date Referred	TTC Account REF #	Agency Name	Supervisory District	Audit Period	Report Issue Date	Total Questioned Costs	Settlement Amount	Date of Payment Agreement	Ending Balance	Payment Amount	Current Balance	Date of Last Payment (TTC)	Operating Contract Status As of 4/1/10
9 12/2/09	12031387	Ferny's Group Home 15502 S. Berendo Ave. Gardena, CA 90249	2nd	9/1/98 -- 8/31/99	4/29/02	\$780,201.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
10 11/13/09	12013180	Greene Home for Boys GH 1238 Sultan Circle Carson, CA 90745 Barbara Greene, Executive Director	2nd	1/1/04 -- 12/31/04	7/12/06	\$83,453.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
11 1/14/10	12064927	Hannah's Children's Home FFA 1045 W. Katella Ave. #330 Orange, CA 92867 Kimberly Berry, Exec. Director 714-516-1077	1st & 5th	1/1/05 -- 12/31/05	03/28/07	\$89,224.00	\$45,690.00	4/25/08	\$32,744.50	\$761.50	\$31,983.00	2/11/10	Contract
12 11/13/09	12013177	Hudson-Lyndsey Group Home (dba). PSYMED, Inc. 5241 Santa Ana Canyon, Ste 160 Anaheim, CA 92807 Cynthia Powell, Executive Director	Orange County	1/1/06 - 12/31/06	4/8/09 F	\$174,920.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
13 12/3/09	10777586	International FFA 460 E. Carson Plaza Drive Ste. 212 Carson CA, 90746 Betty Jones, Executive Director	2nd	7/1/01 -- 12/31/02	7/1/03	\$557,155.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract

COUNTY OF LOS ANGELES

Payment agreement in place but delinquent

FISCAL AUDIT STATUS REPORT

March 2010

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14 12/3/09	10777586	International FFA 460 E. Carson Plaza Drive Ste. 212 Carson CA, 90746 Betty Jones, Executive Director	2nd	1/1/00 -- 6/30/01	2/27/03	\$439,550.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
15 12/3/09	10983428	Jay Cee Dee Children's Home, Inc. Group Home 459 East Loma Alta Dr. Altadena CA, 91001 Mattie Drawn, Executive Director	5th	1/1/03 -- 12/31/03	6/7/04	\$19,530.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
16 12/3/09	10983429	Le Petite Preparatory Group Home 1314 S. Ajanta Ave. Rowland Heights CA, 91748 Audrey Ferrier, Executive Director	4th	1/1/02 -- 6/30/03	2/2/04	\$119,665.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
17 12/3/09	120313386	Liddell's Group Home P.O. Box 778 Pomona CA, 91769 Jerry Liddell, Executive Director	1st	1/1/00 -- 6/30/01	4/30/02	\$98,253.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
18 12/3/09	10173650	Marites Group Home 16204 Daphne Ave. Torrance CA, 90504 Teresa Quan, Executive Director	2nd	1/1/97 -- 12/31/97	4/29/02	\$856,554.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract

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19 11/13/09	12013174	Multicultural FFA 8632 S. Sepuveda Bl. #204 Los Angeles CA, 90045 Dr. Ernest Nunez, Executive Dir.	4th	1/1/02 - 12/31/02	11/12/03 F	\$19,463.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
20 11/16/09	12018276	Personal Involvement Center 8220 S. San Pedro St. Los Angeles, CA 9003 Maxine Perryman, Chief Deputy Director	2nd	7/1/06 - 6/30/07	4/14/09 D	\$80,969.00	\$80,969.00	10/22/09	\$16,193.80	\$0.00	\$16,193.80	N/A	No Contract
21 11/13/09	12013179	Renaissance Unlimited GH 2718 Redondo Blvd. Los Angeles, CA 90016 Chris Onyegdaduo, Executive Director	2nd	1/1/06 - 12/31/06	4/8/09 F	\$89,579.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
22 11/13/09	12013183	Rites of Passage 3870 Crenshaw Blvd. Los Angeles, CA 90008 Turesi Faniel, Executive Director	2nd	1/1/05 - 12/31/05	4/8/09 F	\$155,546.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract
23	11406723	Sydia Group Home, Inc. dba New Horizon 313 W. Las Flores Dr. Altadena, CA 91001 Jeanette Gray, Executive Director	5th	1/1/03 -- 12/31/03	4/3/06	\$42,141.00	\$0.00	N/A	\$0.00	\$0.00	\$0.00	N/A	No Contract

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24	5/7/07	11374083	TANA Group Home 41225 S. Normandie Ave. Los Angeles, CA 90749 Carrie Thomas, Executive Director	2nd	1/1/04 -- 13/31/04	1/8/07	\$194,020.00	\$0.00	N/A	\$0.00	\$0.00	N/A	No Contract
25	12/15/03	10779073	Westside Children's Group Home 29001 Woodview Ct. Tehachapi CA, 93561 Judy Mitchell, Executive Director (661) 821-4504	N/A	1999- 2000	3/9/01	\$75,320.00	\$0.00	N/A	\$0.00	\$0.00	N/A	No Contract
TOTAL											\$71,927.30	\$1,767.50	

* - Should the Treasurer Tax Collector determine that the debt is uncollectable, it will be referred back to the DCFS for claim abatement and/or recommendation for write-off to the Board.